

HAWAII PREMIUM PLUS

FREQUENTLY ASKED QUESTIONS (FAQs)

1. What is Hawaii Premium Plus?

Hawaii Premium Plus (HPP) is a new, temporary program designed to stimulate the economy, decrease unemployment, create jobs and prevent individuals from needing medical or other public assistance. HPP provides a health insurance premium reimbursement to employers who increase staffing between May 1, 2010, and April 30, 2011.

HPP, one of the many statewide job creation initiatives launched by the Lingle-Aiona Administration, helps pay a portion of the employer's share of health insurance premiums for one year for people newly hired. This encourages employers to increase staffing and helps unemployed people obtain full-time jobs and health insurance.

2. How much do employers receive under the State reimbursement?

HPP reimburses an employer up to \$140 per month, for 12 consecutive months, for each full-time employee hired under this initiative.

3. Is there a limit on the number of participants?

HPP is limited to the first 6,450 employees statewide approved for the program. This is expected to decrease Hawaii's unemployment rate by a full one percent.

4. How can I qualify?

To be eligible for HPP, the employer must:

- Have no more than 50 full-time employees in Hawaii as of January 1, 2010 (Note: HPP will expand sometime in July to include larger employers);
- Intend to employ new staff members on a full-time basis (at least 32 hours a week) for a minimum of 24 consecutive months;
- Hire these employees between May 1, 2010, and April 30, 2011; and
- Provide these employees with a health insurance plan meeting all requirements of the Hawaii Prepaid Health Care Act.

A qualified employee must:

- Legally reside in Hawaii and be 18 or older;
- Be unemployed for at least six consecutive weeks immediately prior to being hired; and
- Have or anticipate having a family income not exceeding 450 percent of the Federal Poverty Level for Hawaii for a family of the employee's size (see chart below).

When employment ends for HPP employees, the employer must send an e-mail by the end of that month to PremiumPlus@hawaii.gov with "HPP Termination Notice" in the subject line. The e-mail should include the names of the employees and the end dates of their employer-provided health coverage.

Employers are also required to complete and submit a Quarterly Report (HPP 8000-V) within 15 days of the end of the quarter.

12. HPP pays "up to" half the health insurance costs of new hires. Please explain.

HPP reimburses employers half the premium costs, up to a maximum of \$1,680. This amount represents half the average cost of insuring an employee for one year in the private sector. As long as the employer is paying at least \$280 monthly for a policy covering the employee and any others on that policy, HPP will reimburse the employer for the full \$140 monthly. If the employer pays less than \$280 monthly, HPP will pay half that amount.

13. Some of my part-time employees receive partial unemployment insurance benefits. Are they eligible for HPP?

No. They must have been unemployed for at least six consecutive weeks before being hired by your company for a full-time position.

14. My company has more than 50 full-time employees. Can I sign up now for HPP?

Yes. We encourage larger companies to sign up right away. We will notify you by e-mail when you can start enrolling your new employees, which will be sometime in July.

15. To enroll my new employees in HPP, I need to ask them some questions they might consider as personal, such as their family size and gross monthly family annual income. Any advice on how to approach this?

You could let new employees know that their positions were established as part of a jobs creation initiative funded by federal and state tax dollars. Accordingly, certain information must be collected to determine if they are eligible for HPP.

16. As an employer, I must collect information from my new employees before enrolling them in HPP. What happens if they give me false information?

Employers will not be penalized if an employee provides false information.

16. What happens if I provide my new employee with a family policy instead of an individual policy?

That makes no difference. Under HPP, we reimburse your company up to \$140 per month for one year, regardless of whether it is a family or individual policy.

17. I hired new employees recently. Can I enroll them in HPP retroactively?

Yes. You can enroll your new employees retroactively if you hired them for full-time positions within the last two months. This applies to employees hired no earlier than May 1, 2010.